

SENATE SUMMARY OF HOUSE AMENDMENTS

SB 351 By Senator Murray**KEYWORD AND SUMMARY AS RETURNED TO THE SENATE**

TAX/LOCAL. Authorizes the parishes of Calcasieu, Jefferson, and Orleans to establish an automobile rental tax district and to levy an rental tax not to exceed three percent beginning July 1, 2012. (gov sig)

SUMMARY OF HOUSE AMENDMENTS TO THE SENATE BILL

1. Adds provisions authorizing the governing authority of Calcasieu Parish to create a district by ordinance, providing for the boundaries of the district in Calcasieu Parish, and providing for the use of tax proceeds in Calcasieu Parish.
2. Changes distribution of monies collected in Jefferson Parish.

DIGEST OF THE SENATE BILL AS RETURNED TO THE SENATE

Murray

SB No. 351

Present law levies, for the period from August 1, 1990, through June 30, 2012, a state tax of 2 ½% and a local tax of ½ of 1% of the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract, less any sales and use tax included in such contract. Present law excludes from taxation certain transactions involving automobiles rented for purposes of insurance coverage and vehicle repairs. Present law defines "automobile rental contract".

Present law requires that the Dept. of Revenue collect both the state and local taxes, and remit the local taxes to the central sales and use tax collector of each parish. The local collector then distributes the tax proceeds to the political subdivisions in the parish which levy a sales and use tax.

Present law requires that the local tax collected in Jefferson Parish be distributed as follows:

- (1) 1/3 to the city of Kenner for arts and recreation.
- (2) 2/3 to the Jefferson Performing Arts Society for programs on the east and west bank, with 1/3 of that amount for the Westwego Performing Arts Center and 1/6 of that amount for the Gretna Cultural Center for the Arts.

Present law requires that the local tax collected in Orleans Parish be distributed for road repairs and beautification projects.

Present law sunsets both the state and local taxes on June 30, 2012.

Proposed law enacts provisions of present law for purposes of local taxes in the parishes of Calcasieu, Jefferson and Orleans, which taxes would be levied by a special district created for such purpose.

Proposed law authorizes the governing authorities of the parishes of Calcasieu, Jefferson and Orleans to each create, by ordinance, an automobile rental tax district as a political subdivision of the state. Proposed law provides that the boundaries of the district shall be coterminous with the boundaries of the parish creating the district and the parish governing authority creating the district shall be the governing authority of the district.

Proposed law authorizes the district beginning July 1, 2012, subject to voter approval, to levy an automobile rental tax, not to exceed 3% of the gross proceeds derived from the lease or rental of an automobile pursuant to an automobile rental contract, less any sales and use

tax included in such contract. Requires that the election on the question of the levy of the tax be held at the same time as a regularly scheduled election in the parish creating the district.

Proposed law provides for the same exclusions and tax base as present law.

Proposed law requires that the avails of the tax in Orleans Parish be used in the same manner as provided in present law.

Proposed law requires that the avails of the tax in Jefferson Parish be distributed as follows:

- (1) 1/3 of total tax collections to the city of Kenner for arts and recreation.
- (2) 2/3 of total tax collections to be disbursed as follows:
 - (a) 4/12ths to the Westwego Performing Arts Center.
 - (b) 3/12ths to the Jefferson Performing Arts Society for programs on the east and west bank.
 - (c) 2/12ths to the Gretna Cultural Center for the Arts.
 - (d) All remaining monies to be deposited into a dedicated account for the support of cultural facilities in the unincorporated areas of Jefferson Parish.

Proposed law requires that the avails of the tax in Calcasieu Parish be distributed as follows:

- (1) 1/6 to the political subdivisions in the parish as provided in present law.
- (2) 5/6 to Airport District No. 1 of Calcasieu Parish for the maintenance and operation of the Lake Charles Regional Airport.

Proposed law requires the parish governing authority creating the district to prescribe in the ordinance creating the district any other purposes of the district.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 47:551.1)

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